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ATTORNEYS AT LAW

January 7, 2008

**Ex Parte**

Ms. Marlene H. Dortch  
Secretary  
Federal Communications Commission  
445 12<sup>th</sup> Street, SW  
Washington, DC 20554

Re: *Federal-State Joint Board on Universal Service; High Cost Universal Service Support*, WC Dockets No. 05-337 and 96-45

Dear Ms. Dortch:

General Communication, Inc. ("GCI") hereby responds to ACS Wireless, Inc.'s ("ACS") ex parte of January 3, 2008. ACS continues to ignore the fact that GCI's proposal creates opportunities for real benefits for real consumers – broadband and wireless service – in native communities not just in Alaska, but throughout the United States. GCI's proposal covers the same areas as currently are eligible for Tribal Lands Lifeline support – which is currently distributed to eligible portions of almost 1600 study areas in the 48 contiguous states, in addition to 31 Alaska (including that assigned to ACS-Wireless and its six ILEC affiliates) and two Hawaii study areas.<sup>1</sup>

While GCI's proposal is not Alaska-specific, the Alaska Federation of Natives has spelled out why the proposed exclusion is necessary:

The majority of Alaska Natives live in approximately 200 small rural towns and even smaller rural villages spread out over hundreds of thousands of square miles. These communities, which are not served by roads, depend on satellite networks to link them to urban Alaska and the rest of the nation. . . . Without access to the advanced telecommunications and information services (including mobile wireless and broadband) that

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<sup>1</sup> See Universal Service Administrative Company, Appendix LI01, available at <http://www.usac.org/about/governance/fcc-filings/2008/quarter-1.aspx> (last visited January 6, 2008).

less remote communities enjoy, these 200 rural Alaska communities will be denied the economic, educational, public health, and public safety benefits that Congress intended the [Universal Service] Fund to provide in rural America.<sup>2</sup>

The Alaska Federation of Natives therefore concluded, “If an interim cap is adopted, AFN urges the Commission to include in its order an exclusion from the cap for Alaska Native regions and for tribal lands in the lower 48 states, which face most of the same telecommunications challenges as the 200 rural Alaska communities.”<sup>3</sup>

ACS suggests that GCI’s proposal lack merit because no other Alaska CETC has supported it. Of course, ACS ignores a more obvious explanation – that no Alaska CETC (except GCI) plans broadband deployment covering Alaska communities not reachable by the highway system.<sup>4</sup> It is certainly clear why a proposal that encourages deployment to rural areas while imposing limits on payments for residential family plans would not be attractive to ACS. First, even within its existing service areas (which, for ACS’ wireless service, is predominantly in urban and suburban communities), ACS is apparently unwilling to undertake the costs of additional investment to upgrade or extend their broadband capabilities to meet the proposal’s requirements, if that means it must forego lucrative “family plan” support in exchange for the ability to collect support in excess of the statewide cap. ACS has never justified why USF support should be provided for additional handsets provided under “family plans.” Second, ACS has demonstrated no intention or interest whatsoever in extending its wireless service to the rural, largely unserved, areas of the state, so it has no compunction in seeking to deny the availability of USF funds sufficient to enable expansion services to these areas. For ACS, opposing the Alaska Native and tribal lands proposal is a win-win proposition – preserve its urban area, family plan-driven largesse, without any risk to its own non-existent plans to extend much-needed service to rural Alaska. That ACS’ parochial interests are in direct conflict with those of the people represented by the Alaska Federal of Natives should be dispositive of the issue.

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<sup>2</sup> Letter from Julie Kitka, President, Alaska Federation of Natives, to Marlene H. Dortch, Secretary, Federal Communications Commission, WC Dockets No. 05-337 and 96-45 (filed June 11, 2007).

<sup>3</sup> *Id.*

<sup>4</sup> There has been little evidence heretofore of any other provider’s interest in extending much-needed services to rural Alaska. For its part, ACS has declined to provide wireless service to rural locations even without any broadband component to USF eligibility, further demonstrating that its claimed concerns with the GCI proposal are without merit.

ACS' clear agenda is to try to slow GCI's entry into its and other markets, with new and better wireless broadband services. This is a poor reason to deny rural consumers on Alaska Native and tribal lands new and upgraded broadband and wireless services that they need.

Sincerely,

A handwritten signature in black ink, appearing to read "John T. Nakahata", written over a horizontal line.

John T. Nakahata

*Counsel to General Communication, Inc.*

cc: Dan Gonzalez, Chief of Staff to the Chairman  
Ian Dillner, Legal Adviser to the Chairman  
Scott Deutchman, Legal Adviser to Commissioner Copps  
Scott Bergmann, Senior Legal Adviser to Commissioner Adelstein  
Chris Moore, Legal Adviser to Commissioner Tate  
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